



108th CONGRESS
1ST SESSION

H.J. RES. 2

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 2), "making further continuing appropriations for the fiscal year 2003, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This joint resolution may be cited as the "Consolidated Appropriations Resolution, 2003".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this joint resolution is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

Sec. 3. References.

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\$12,742,000 shall be transferred to the "Office of Inspector General" appropriation to remain available until September 30, 2004, and \$86,168,000 shall be transferred to the "Science and technology" appropriation to remain available until September 30, 2004.

LEAKING UNDERGROUND STORAGE TANK PROGRAM

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed \$75,000 per project, \$72,313,000, to remain available until expended.

OIL SPILL RESPONSE

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, \$15,581,000, to be derived from the Oil Spill Liability trust fund, to remain available until expended.

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, \$3,859,994,000, to remain available until expended, of which \$1,350,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under

title VI of the Federal Water Pollution Control Act, as amended (the "Act"), of which up to \$75,000,000 shall be available for loans, including interest free loans as authorized by 33 U.S.C. 1383(d)(1)(A), to municipal, inter-municipal, interstate, or State agencies or nonprofit entities for projects that provide treatment for or that minimize sewage or stormwater discharges using one or more approaches which include, but are not limited to, decentralized or distributed stormwater controls, decentralized wastewater treatment, low-impact development practices, conservation easements, stream buffers, or wetlands restoration; \$850,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended, except that, notwithstanding section 1452(n) of the Safe Drinking Water Act, as amended, none of the funds made available under this heading in this Act, or in previous appropriations Acts, shall be reserved by the Administrator for health effects studies on drinking water contaminants; \$50,000,000 shall be for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; \$43,000,000 shall be for grants

to the State of Alaska to address drinking water and wastewater infrastructure needs of rural and Alaska Native Villages; \$3,000,000 shall be for remediation of above ground leaking fuel tanks pursuant to Public Law 106-554; \$314,887,000 shall be for making grants for the construction of drinking water, wastewater and storm water infrastructure and for water quality protection in accordance with the terms and conditions specified for such grants in the joint explanatory statement of the managers accompanying this Act; \$8,225,000 for grants for construction of alternative decentralized wastewater facilities under the National Decentralized Wastewater Demonstration program, in accordance with the terms and conditions specified in the ~~report~~ accompanying this legislation; \$90,500,000 shall be to carry out section 104(k) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including grants, interagency agreements, and associated program support costs; and \$1,150,382,000 shall be for grants, including associated program support costs, to States, federally recognized tribes, interstate agencies, tribal consortia, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related activities, including activities pursuant to the provisions set forth under this heading

(Act
joint explanatory
statement of
the managers)

direct EPA to continue funding this effort in cooperation and collaboration with the National Institute of Environmental Health Sciences.

The conferees are aware of the Agency's ongoing program to coordinate the clean-up of vermiculite from certain homes in the Libby, Montana area, and are concerned with reports of both excessive costs and schedule delays associated with the program. The Agency should be aware of the long-standing concerns of the Committees on Appropriations regarding the judicious use of Superfund dollars by the EPA, and the conferees caution the Agency to move forward with this program in a manner which appropriately meets the needs of assistance for individuals in Libby while remaining fiscally responsible and containing costs in light of competing national priorities within the Superfund program.

LEAKING UNDERGROUND STORAGE TANK PROGRAM

Appropriates \$72,313,000 for the leaking underground storage tank program as proposed by the House and the Senate.

OIL SPILL RESPONSE

Appropriates \$15,581,000 for oil spill response as proposed by the House and the Senate.

STATE AND TRIBAL ASSISTANCE GRANTS

Appropriates \$3,859,994,000 for state and tribal assistance grants instead of \$3,789,185,000 as proposed by the House and \$3,920,639,000 as proposed by the Senate. Bill language specifically provides \$1,350,000,000 for Clean Water State Revolving Fund (SRF) capitalization grants, of which up to \$75,000,000 is to be made available for use by States that choose to make loans, including interest-free loans, that increase non-point and non-structural, decentralized alternatives, thus expanding the choices available to communities in their fight for

clean water. The conferees strongly encourage States that can do so to pursue innovative technologies in this regard, but emphasize that this program is voluntary and that States not participating in the program will nevertheless continue to receive their normal level of funding through the established SRF formulas.

Additional bill language provides \$850,000,000 for Safe Drinking Water SRF capitalization grants; \$50,000,000 for the United States-Mexico Border program; \$43,000,000 for grants to address drinking water and wastewater infrastructure needs in rural and native Alaska communities; \$3,000,000 for remediation of above ground leaking fuel tanks in Alaska pursuant to Public Law 106-554; \$8,225,000 for grants for construction of alternative decentralized wastewater facilities; \$90,500,000 for a new Brownfields grant program; \$1,150,382,000 for categorical grants to the states and tribes, including \$50,000,000 for Brownfields categorical grants and \$19,999,900 for the Environmental Information Exchange program; and \$314,887,000 for cost-shared grants for construction of water and wastewater treatment facilities and infrastructure and for groundwater protection infrastructure.

The conferees have included bill language which, for fiscal year 2003, authorizes the Administrator of the EPA to use funds appropriated pursuant to the Federal Water Pollution Control Act (FWPCA) to make grants to Indian tribes pursuant to section 319(h) and 518(e) of FWPCA. In addition, bill language has been adopted which, 1) will permit the states to include as principal amounts considered to be the cost of administering SRF loans to eligible borrowers, with certain limitations; 2) permits the Administrator to reserve up to 1 ½ percent of the funds appropriated for the SRF under title VI of the FWPCA for grants under section 518(c) of that Act; 3) for fiscal year 2003, authorizes the states to transfer funds between the Clean Water and Safe Drinking Water SRF programs; and 4) stipulates that no funds provided in the Act to

address water infrastructure needs of colonias within the United States along the United States-Mexico border shall be made available to a county or municipal government unless that governmental entity has established an enforceable ordinance or rule which prevents the development or construction of any additional colonia areas, or the development within an existing colonia of any new home, business, or other structure which lacks water, wastewater, or other necessary infrastructure.

The conferees have included bill language which makes technical corrections and changes to grants approved in previous fiscal years. Finally, as in previous years, the conferees have included bill language which stipulates that none of the funds provided in this or any previous years' Act for the Safe Drinking Water SRF may be reserved by the Administrator for health effects studies on drinking water contaminants. The conferees have instead provided significant resources for such studies within EPA's Science and Technology account.

Of the funds provided for the United States-Mexico Border program, \$7,000,000 is for continuation of the El Paso, Texas desalination and water supply project, and \$2,000,000 is for the Brownsville, Texas water supply project.

The conference agreement provides \$8,225,000 for six specific grants under the National Decentralized Wastewater Demonstration program. The program, which has shown tremendous success in developing and transferring technologies which offer alternatives to centralized wastewater treatment facilities, also requires a cost-share whereby each grantee must provide 25% of the project's total cost. The six projects included for funding are located in Lowndes County, Alabama (\$575,000); Upper Patuxent River Watershed, Maryland (\$1,000,000); West Philadelphia and Rodale Institute Farm, Pennsylvania (\$1,700,000); Upper Rio Grande Valley Colonias, Texas (\$900,000); Chittenden County, Vermont Integrated Water Resource Project

(\$3,050,000); and Mud River Watershed, Lincoln County, West Virginia (\$1,000,000). As in previous years, these projects were determined by non-governmental, independent analysis based upon their unique and diverse geology and geography, their ability to provide the greatest technological diversity using limited financial resources, and the commitment of each community or regional area to find and fund appropriate alternative technologies to resolve their wastewater treatment needs.

Within the State and Tribal Categorical Grant program, the conference agreement includes:

1. \$225,000,000 for air resource assistance grants under sections 103 and 105 of the Clean Air Act, of which \$10,000,000 is for the five State/Regional Haze planning organizations;
2. \$192,500,000 for section 106 water pollution control grants;
3. \$10,000,000 for the Beach Environmental Assessment and Coastal Health Act (BEACH) grant program;
4. \$240,000,000 for section 319 non-point source pollution grants;
5. \$19,999,900 for the information exchange network grant program; and
6. \$15,000,000 for the new targeted watershed grant program.

The conferees have not provided funding for the State Multimedia Enforcement Grant program or for maintenance of the Homestake Mine in Lead, South Dakota.

The conferees agree that \$314,887,000 is provided for cost-shared grants to communities or other governmental entities for construction of water and wastewater treatment facilities and infrastructure and for groundwater protection infrastructure. Each such grant shall be accompanied by a cost-share requirement whereby, regardless of the amount provided herein for

each grant, 45 percent of a project's cost is to be the responsibility of the community or entity consistent with long-standing guidelines of the Agency. These guidelines also offer flexibility in the application of the cost-share requirement for those few circumstances when meeting the 45 percent requirement is not financially possible. The Agency is commended for its past efforts in working with communities and other entities to resolve problems in this regard, and it is expected that this high level of effort and flexibility will continue throughout fiscal year 2003.

The distribution of funds under this program is as follows:

1. \$1,620,000 for ~~the~~ Palmer, Alaska for a water main;
2. \$450,000 for Wrangell, Alaska for sewer expansion;
3. \$900,000 for the Fairbanks City, Alaska sewer and storm drain connection;
4. \$450,000 for ~~the~~ Kodiak, Alaska for water and sewer upgrades;
5. \$1,080,000 for the Anchorage Water and Wastewater Utility for the development of a water and sewer facility in Anchorage, Alaska;
6. \$900,000 for ~~the~~ Wasilla, Alaska for water and sewer improvements;
7. \$180,000 to Attalla, Alabama for sewerage system improvements;
8. \$180,000 to Powell, Alabama for sewerage system improvements;
9. \$90,000 to Lawrence County, Alabama for the Bankhead Forest Water Project;
10. \$90,000 to ^{the Town of} Phil Campbell, Alabama for water system improvements;
11. \$900,000 to Fort Payne, Alabama for sewerage system improvements;
12. \$270,000 to Franklin County, Alabama for water infrastructure improvements;
13. \$180,000 to Douglas, Alabama for sewerage system improvements;
14. \$180,000 to Marion County, Alabama for water system improvements;

139. \$495,000 for the State of Hawaii Health Department, for cesspool system replacement;

140. \$450,000 for the City and County of Honolulu, Hawaii, for wastewater treatment technologies;

141. \$450,000 to the City of Ottumwa, Iowa for comined sewer overflow system improvements;

142. \$900,000 to the City of Des Moines, Iowa for stormwater and wastewater infrastructure improvements;

143. \$450,000 for the City of West Liberty, Iowa, for wastewater treatment improvements;

144. \$2,250,000 for the City of Mason City, Iowa, for the Municipal Water System Radium Removal Project;

145. \$225,000 to the Bayview Water and Sewer District of Idaho for the Cape Horn Area Clean Water Compliance Project;

146. \$900,000 for the Coolin Sewer District in Idaho for a wastewater facility upgrade project;

147. \$225,000 for the City of Filer, Idaho for a new drinking water system;

148. \$675,000 for the City of Bancroft, Idaho for water system upgrades;

149. \$900,000 for the City of Burley, Idaho for improvements to the wastewater treatment system;

150. \$450,000 to DuPage County, Illinois for water infrastructure improvements;

151. \$450,000 to the Lake County Stormwater Management Commission of Lake County, Illinois for stormwater detention, infrastructure, modeling, design and management activities in the Upper Des Plaines River watershed;